

ohio afl-cio

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February 24, 1998

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Donald K. ...
Secretary-Treasurer

The Honorable William B. Kennard, Chairman
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

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CC Docket No. 97-211

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Dear Chairman Kennard:

On behalf of the 800,000 members we represent, the Ohio AFL-CIO would like to express our vigorous opposition to the proposed WorldCom-MCI merger. We urge you and your colleagues on the Federal Communications Commission to reject the merger based on its adverse impact on competition in long-distance, local phone, and Internet services.

Specifically, the merger would:

- Cut facilities-based investment in Ohio and across the country,
- Remove a local service competitor in Cleveland and many other U.S. cities by combining WorldCom and MCI local operations,
- Raise the cost and lower the quality of phone services available to residential and small business customers,
- Result in control of more than 50 percent of the Internet backbone by one corporation,
- Enable the combined company to impose discriminatory Internet access and pricing policies, and
- Threaten the commercial viability of small Internet service providers and other small businesses.

Simply put, WorldCom and MCI fail to meet their obligation to show the proposed merger is in the public interest. To the contrary, the largest merger in telecommunications history will reduce telecommunications competition and consumer options.

We have attached the Ohio AFL-CIO resolution passed on January 23, 1998, that explains how the merger will harm consumers, communities, and workers.

Again, we hope that the Federal Communications Commission will reject the proposed merger to ensure that all Americans have access to reasonably priced quality options for long-distance, local, and Internet services.

Sincerely,

William A. Burga
WILLIAM A. BURGA
President

CCB- MCI/WorldCom

WAB:dw
Enclosure

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OHIO AFL-CIO RESOLUTION

Opposition to Proposed WorldCom-MCI Merger

WHEREAS, WorldCom proposes to acquire MCI and create a new \$40 billion monopoly in the communications industry; and

WHEREAS, WorldCom has demonstrated an ongoing disregard for providing telecommunication services to the residential market while actively campaigning against providing universal service (the program that guarantees every Ohio local telephone service at a reasonable rate) imposing potential harm particularly to minority, low-income, and rural Ohioans; and

WHEREAS, A WorldCom-MCI merger would control more than 50 percent of the internet backbone, potentially raising prices for consumers through discriminatory access and pricing policies; and

WHEREAS, WorldCom-MCI senior executives would reap more than \$320 million in bonuses; and

WHEREAS, A WorldCom-MCI merger would harm residential and small business customers in Ohio by decreasing contributions to support Universal Service; and

WHEREAS, A WorldCom-MCI merger would significantly consolidate the long distance market by combining the second and fourth largest companies in the industry; and

WHEREAS, A WorldCom-MCI merger would decrease facilities-based investment reducing local network development and consumers options; and

WHEREAS, A WorldCom-MCI merger would combine two non-union companies that would cut job growth in the industry by more than 75,000 jobs over the next four years; and

WHEREAS, A WorldCom-MCI merger violates the pro-competitive intent of the 1996 Telecommunications Act.

THEREFORE, RESOLVED: That the Ohio AFL-CIO opposes the proposed WorldCom-MCI merger based on its overall negative impact on its members, their families and all Ohioans; be it further

RESOLVED: That the Ohio AFL-CIO will voice its vigorous opposition to the proposed WorldCom-MCI merger before the Ohio Congressional delegation and all appropriate government departments and agencies, including but not limited to the U.S. Department of Justice, the Federal Communications Commission, and the Ohio Public Utility Commission.

Submitted By: Communications Workers of America, AFL-CIO